

## **FISCAL NOTE FOR NON-CAPITAL PROJECTS**

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>CBO Analyst/Phone:</b>
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### **Legislation Title:**

AN ORDINANCE relating to City employment and the 2013 Adopted Budget; authorizing execution of a collective bargaining agreement between the City of Seattle and the Seattle Parking Enforcement Officers' Guild to be effective January 1, 2011 through December 31, 2013; amending Ordinance 124058 by increasing appropriations to the Police Department for providing the 2011 and 2012 retroactive payments therefor; and ratifying and confirming prior acts.

### **Summary of the Legislation:**

This legislation authorizes a collective bargaining agreement between the City and the Seattle Parking Enforcement Officers' Guild (SPEOG) providing for wages, healthcare, and other conditions of employment and appropriates funding to the Seattle Police Department (SPD) to pay for 2011 and 2012 wages adjustments associated with the agreement effective January 1, 2011 through December 31, 2013. This legislation affects approximately 97 City employees represented by SPEOG.

### **Background:**

The collective bargaining agreement between the City and the employees now represented by SPEOG expired on December 31, 2010. Union members continued to work on condition that their wages, hours and other working conditions be negotiated. Union members ratified the agreement in June of 2013.

Under the new agreement, the City will increase union members' wages by 0.6 percent in 2011, 1.8 percent in 2012, and 3.3 percent in 2013, based on 100 percent of the annual average growth rate of the bi-monthly Seattle-Tacoma-Bremerton Area Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers (CPI-W) for the period of August through June of the base year and the period of August through June of the following year. Health care cost sharing will continue as agreed upon in the previous contract: the City will pay up to 7 percent of annual healthcare cost increases and then additional costs will be covered by the Rate Stabilization Fund. Once that Fund is exhausted, the City will pay 85 percent and employees will pay 15 percent of any additional costs. The City and SPEOG also agreed to cost-neutral changes to other conditions of employment.

The Seattle Police Department (SPD) requires an appropriation to make retroactive payments for the 2011 and 2012 pay increases. The impact of this retroactive payment is estimated to be \$235,000. This amount has been included in the legislation for appropriation to the department. The 2013 Adopted Budget has sufficient funding to cover the increase and retroactive payout

associated with the 2013 contract year.

       **This legislation does not have any financial implications.**

  **X**   **This legislation has financial implications.**

<b>Fund Name and Number</b>	<b>Department</b>	<b>Budget Control Level*</b>	<b>2013 Appropriation</b>	<b>2014 Anticipated Appropriation</b>
General Subfund (00100)	Seattle Police Department	Special Operations (P3400)	\$235,000	\$0

Appropriations Notes:

None.

**Anticipated Revenue/Reimbursement Resulting from this Legislation: NONE**

**Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact: NONE**

**Spending/Cash Flow:** All funding will be spent in 2013. No funding will be carried over for this purpose in 2014.

**Other Implications:**

- a) **Does the legislation have indirect financial implications, or long-term implications?**  
This legislation permanently increases the base pay for Parking Enforcement staff covered by the agreement.
- b) **What is the financial cost of not implementing the legislation?**  
If the contract is not legislated, employees will continue to receive the same wages that became effective on January 6, 2010. There may be additional legal risks associated with not implementing this legislation.
- c) **Does this legislation affect any departments besides the originating department?**  
SPD is the only department affected by this legislation. This proposed Council Bill will impact SPD's budget and to the extent provided in the collective bargaining agreement, the operational functions of its SPEOG union members.
- d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?**  
None.
- e) **Is a public hearing required for this legislation?**  
No.

**f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**

No.

**g) Does this legislation affect a piece of property?**

No.

**h) Other Issues:** None

**List attachments to the fiscal note below:** None